

Budget Justification

At a Glance

What Else Is It Called?

- Budget narrative

When Is It Used?

- Always

Why Is It Used?

- Your budget is a summary. The funder wants to see how you came up with your budget figures and thus the budget justification.
- The budget justification explains the budget.
- Most grant writers do the budget justification first and then do the budget summary.
- If you are applying for a three-year project, you will show three years of budgets.

Key Concepts

- Write the budget justification in the same order as the line items.
- Put the budget justification in the order the funder lists line items.
- Explain fully where you got the figures for the budget summary.
- Do not include actual bids from vendors unless the funder requests them, and then put them in the appendix.

Checklist*—Budget Justification

<input checked="" type="checkbox"/>	Budget summary line item totals
<input checked="" type="checkbox"/>	Major components of each line item total
<input checked="" type="checkbox"/>	Building blocks of each major component
<input checked="" type="checkbox"/>	Are salaries in line with local wage scales and/or those in the organization?
<input checked="" type="checkbox"/>	Show multiple factors ($\# \text{ sessions} \times \# \text{ people} \times \text{material cost} = \text{total material cost}$)
<input checked="" type="checkbox"/>	Show as much detail as possible
<input checked="" type="checkbox"/>	Show which Goals and Objectives depend on major cost items
<input checked="" type="checkbox"/>	Any “out of line” amounts explained fully
<input checked="" type="checkbox"/>	No padding
<input checked="" type="checkbox"/>	Real amounts, no rounding to thousands

*Remember that a grant funder's directions (instructions/guidelines) take precedence over any and all other considerations. You must absolutely, positively follow the grant funder's directions exactly, precisely, and painstakingly.

Clear and concise are watchwords for the budget justification. Just show where you got your figures.

Last Words

- Keep it simple. Begin with a budget summary line item total.
- Break it into its components.
- Explain each component. If possible, break the component into smaller blocks, (explain each smaller block).
- Keep it short. Long explanations are not necessary. Say what needs to be said.
- While a project narrative probably has a tight page limit, budget narratives almost never have a size limitation.
- Here is the place for a lot of explaining that can not be squeezed in anywhere else.
- The more detail the better. A detailed budget justification demonstrates a thorough and careful approach to the project. It shows competence and confidence, traits important to convey to the grant funder.

Sunnyvale School District

Budget Justification

After School Program

1. Personnel (grant request) \$620,250

Project director	\$45,000
Salary range in our location for a person with the required education and experience is \$42,000 to \$52,000	
Assistant project director	\$32,000
Salary range in our location for a person with the required education and experience is \$30,000 to \$38,000	
Administrative assistant	\$24,000
Salary range in our location for a person with the required education and experience is \$22,000 to \$28,000	
Site directors—5 @ \$35,000 (one for each school site)	\$175,000
Salary range in our location for a person with the required education and experience is \$33,000 to \$39,000	
Assistant site directors—5 @ \$28,000 (one for each school site)	\$140,000
Salary range in our location for a person with the required education and experience is \$26,000 to \$36,000	
Snack coordinators—5 @ \$6,450 each (one for each school site)	\$32,250
These are part-time positions	
Salary range in our location for a person with the required education and experience is \$6,000 to \$8,000 for the time required	
Teachers—25 @ \$6,880 each (five for each school site)	\$172,000
These are part-time positions	
Salary range in our location for teachers with the required	

certification and experience is \$6,000 to \$10,000 for the time required

Personnel total (grant request)		\$620,250
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1. Applicant matching funds		\$94,600
Bus drivers—5 @ \$5,160	25,800	
(one for each school site @ established district rate)		
Security—5 @ \$9,460	47,300	
(one for each school site @ established district rate)		
Maintenance—5 @ \$4,300	21,500	
(one for each school site @ established district rate)		
Personnel total (applicant matching funds)		\$94,600
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1. Partner matching funds.....		\$109,500
Partner 1—one person @ 50% involvement with \$60,000 salary = \$30,000		
Partner 2—one person @ 50% involvement with \$55,000 salary = \$27,500		
Partner 3—one person @ 50% involvement with \$48,000 salary = \$24,000		
Partner 4—one person @ 50% involvement with \$56,000 salary = \$28,000		
Personnel total (partner matching funds)		\$109,500
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Personnel total matching funds		\$204,100
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2. Fringe (grant request).....		\$186,075
Fringe rate = 30%		
Fringe = 30% of \$620,250 (grant request personnel total)		
3. Travel.....		\$22,000
This amount is for the travel, lodging, and meals required for grantor required meetings		
4. Equipment.....		\$0
No grant funds are being requested for purchase of equipment		

- 5. Materials and supplies \$0**
No grant funds are being requested for purchase of materials and supplies
- 6. Contractual services \$61,920**
18 contractors at an average of \$3,440 each
The evaluator will be paid with district funds
- 7. Internal Services \$6,880**
New grant estimate costs for annual Internal Services Charges
- 8. Other \$0**
No grant funds are being requested for other costs
- 9. Total direct costs \$897,125**
Total direct cost is the sum of line items 1 through 8
- 10. Indirect costs \$125,598**

Indirect rate = 14%
Indirect costs = 14% of \$897,125 (total direct costs)
- 11. Training stipend costs \$0**
No grant funds are being requested for training stipend costs
- 12. Total grant request \$1,022,723**
Total grant request is the sum of line items 9 through 11

The Senior Citizen Wellness Center

Budget Justification

1. Line item 1—Personnel\$210,000

The total for this line item consists of the salaries of four positions.

Project director\$65,000

SPE director\$55,000

Administrative assistant\$26,000

Social workers (2 @ \$32K)\$64,000

2. Fringe\$77,385

The fringe rate is 36.85%.

Total fringe is 36.85% of \$210,000

3. Travel\$0

The applicant will cover any costs of travel incurred during the project.

4. Equipment\$26,000

These funds will be used to equip the single point of entry system.

Center-based SPE

Desktop computers.....\$7,000

Peripherals\$1,500

Communications and database software.....\$2,000

Home visit SPE

Laptop computers.....\$9,000

Peripherals\$1,500

Satellite communications hardware and software.....\$5,000

5. Supplies\$0

All costs of supplies will be borne by the applicant and project partners.

6. Contractual.....\$20,000

These funds will be used to purchase the services of various companies, organizations, and individuals—services that we cannot obtain without charge from a partner. The areas in which services will be purchased include nursing, medical laboratory analysis, mental health, exercise, weight training, dance, swimming, cooking and nutrition, and various miscellaneous skills such as instruction in arts and craft.

7. Internal Services\$5,000

New grant estimate costs for annual Internal Services Charges

8. Total direct costs\$338,385

Total direct cost is the sum of line items 1 through 7

9. Indirect costs\$62,601

Indirect cost rate is 18.5%.

Indirect cost is 18.5% of \$338,385 (total direct costs)

10. Total costs\$400,986

Total cost (total grant request) is the sum of line items 8 and 9.

Inner City Alcohol and Drug Prevention Commission

ATOD Prevention Project

Budget Justification

1. Personnel (grant request)\$86,000

Outreach coordinator\$32,000

Director of performance art\$32,000

Administrative assistant\$22,000

1. Personnel (matching funds)\$116,000

Project director\$48,000

Hotline manager\$32,000

Assistant project director\$36,000

2. Fringe (grant request)\$16,125

Fringe rate is 18.75%

Fringe is 18.75% of grant request personnel costs (\$86,000)

2. Fringe (matching funds)\$21,750

Fringe rate is 18.75%

Fringe is 18.75% of matching funds personnel costs (\$116,000)

3. Travel\$0

4. Equipment\$30,000

Multiline telephone system for hotline\$12,000

Cell phones/radios/pagers for crisis teams.....\$4,000

Two computers with peripherals for hotline and crisis teams ...\$5,000

Database and communications software\$2,000

Staging equipment for performance art\$7,000

5. Materials and supplies.....\$15,000

Curriculum material for educational outreach\$9,000

Performance props and supplies\$2,400

Miscellaneous office supplies\$3,600

6. Contractual.....\$35,000

Consultants for educational outreach training\$6,000

Consultants for hotline and crisis team training\$10,000

Outside evaluation team.....\$10,000

Telephone, wireless, and pager service.....\$9,000

7. Internal Services\$5,000

New grant estimate costs for annual Internal Services Charges

8. Total direct costs (grant request).....\$187,125

Total direct cost is the sum of grant request line items 1 through 7.

8. Total direct costs (matching funds)137,750

Total direct cost is the sum of matching funds line items 1 through 7.

9. Indirect costs (grant request)\$17,777

The indirect cost rate is 9.5%.

Indirect cost is the indirect cost rate times the total direct costs (\$187,125).

9. Indirect costs (matching funds)\$21,750

The indirect cost rate is 9.5%.

Indirect cost is the indirect cost rate times the total direct costs (\$137,750).

10. Total costs (grant request)\$204,902

Total cost is the sum of line items 9 and 10

10. Total costs (matching funds)\$150,836

Total cost is the sum of line items 9 and 10.